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SUBJECT: Visit of U.S. NRC Commissioner to Rio de Janeiro

- 11. (SBU) From 10-12 May 2006, Consulate hosted Commissioner Jeffrey Merrifield of the U.S. Nuclear Regulatory Commission (NRC) for a series of meetings with nuclear regulatory counterpart officials at the Brazilian National Nuclear Energy Commission (CNEN), the Brazil-Argentine Agency for the Accounting and Control of Nuclear Materials (ABACC), and a site visit to the Angra Nuclear Power Plant.
- 12. (SBU) Commissioner Merrifield's trip followed visits with regulatory counterparts in Argentina May 7-10. He was accompanied by Kathryn Barber Nolan, his Legal Counsel and Jennifer Schwartzman, International Relations Specialist, Office of International Programs. The visit highlighted the NRC's interest in strengthening cooperation with its regulatory counterparts in South America.
- 13. (SBU) The Commissioner began his visit to Brazil with a roundtable discussion of energy and nuclear issues in Brazil with Consul General Atkins and the country team. Highlights of the discussion included: (1) the impact of the nationalization of the Bolivian natural gas industry on Brazil's energy matrix and economy, and Brazil's subsequent increased consideration of nuclear energy options; (2) the history and current status of Brazil's naval nuclear endeavors; and (3) current safety and security concerns in the area.
- (SBU) On May 11, the Commissioner visited the Angra Nuclear Power Plant in Angra dos Reis. He was unable to visit the Angra 1 reactor due to an upcoming refueling outage, but instead toured Angra Unit 2, a 1350 MWe pressurized water reactor (PWR) designed by Siemens. tour included access to the radiation controlled area, including access to containment, where the group viewed the spent fuel pool and various internal components. Commissioner also visited the control room, the diesel generators, and other portions of the power block. Commissioner Merrifield noted that the material condition of the unit was very good. He then visited the construction site for Angra Unit 3, which is nearly identical in design to Angra 2, and is approximately 30 percent complete. Commissioner visited the warehouses where the components are being stored until construction resumes. The site is currently undergoing an environmental assessment, and floodwater is being drained from the area in anticipation of a government "green light" to resume construction. During the tour, the Commissioner discussed with Plant Manager Ricardo dos Santos the successes and challenges experienced at the two operating units.

¶5. (SBU) On May 12, the Commissioner visited ABACC's headquarters in downtown Rio de Janeiro and met with Secretary Antonio Abel Oliveira; Mr. Ruben Novo,

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Administrative and Finance Manager; Ms. Iona Ponce, Institutional Relations Manager, and several other professional staff. They discussed the current state of the U.S. nuclear program and priorities for the NRC. Dr. Oliveira provided an overview of ABACC's history, mission and responsibilities in the safeguards area. The Commissioner also visited the technical support center and viewed various safeguards equipment used by the ABACC inspectors, including cameras, other surveillance items, and equipment for sampling and testing nuclear materials.

16. (SBU) Following his meeting at ABACC, the Commissioner met with President Odair Goncalves of CNEN. Also in attendance were Dr. Laercio Vinhas and Dr. Sergio Bogado, who provided a presentation on Brazil's nuclear program and CNEN's licensing and inspection activities. President Goncalves provided an overview of CNEN's history, structure, mission and regulatory responsibilities from nuclear power to medicinal radiology. The group discussed the fact that CNEN and NRC share common challenges such as an aging workforce and possible review of applications for new units. They also discussed prospects for resuming construction on Angra 3, the current government's favorable attitude toward nuclear energy, and the expansion of CNEN's regulatory responsibilities if new power plants are constructed. Overall, Commissioner Merrifield was left with a favorable impression of the Brazilian regulator, particularly the resident inspectors he met at the Angra site.

Atkins